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MONGOLIA

12-28-79

I. General Deta

- A. <u>Population</u>: Estimated at about 1,000,000. Population density less than two persons per square mile, even populous areas only three to four per square mile.
- B. Aren: About 614,000 square miles.
- C. Climate: Rigorous continental climate characterized by low average temperatures with extreme seasonal and daily variations. General aridity with frequent droughts and unpredictable storms.

D. Topography:

- l. Country consists mostly of steppes and desert basins with mountains rising from plateau in western half. Elevations range from 3,000 to 7,000 feet, except in Khangai (Hangayn) and Altai mountains where peaks reach 10,000 to 14,000 feet.
- 2. Only one or two percent of land is cultivable, and seven percent forested. Remainder is grassland that grades southward into desert. Most agricultural land and half of forests in hilly northeast.
- 3. Internal communications radiate outward from Ulan Bator.

4. Gobi region in east and south is hard gravelly desert plain with extremely scanty water supply and sparse growth of desert shrubs and grasses that decreases toward south.

II. Ristory

- A. Mongolia owed allegiance to Manchu emperor of China until overthrow of dynasty in 1911. Thereafter local aristocracy set up independent government recognized only by Mussia.
- B. Moscow and Peiping vied for central of area for decade prior to 1821 when Soviet troops assisted Mongolian revolutionaries to defeat Chinese-oriented government.
- C. Mongolian People's Republic proclaimed in 1924 soon after native Communist leader had liquidated nationalistic rivals. Mongolia thus has honor of being first Soviet satellite.
- D. China continued to claim sovereignty until end of World War II. Sino-Soviet negotiations on issue resulted in face-saving call for plebiscite on 20 October 1945 when country voted "unanimously" for independence and ended Nationalist China's tenuous Sovereignty.

III. Leonomy

A. Agriculture: Economy based on animal husbandry which furnishes most of food, employes 30 percent of pepulation, and provides raw materials for growing small-scale industry.

Mongolia has largest number of livestock per capita in world. Regime claims herdsmen now 90 percent collectivized.

- B. <u>Mining</u>: Minerals extracted include gold, gypsum, salt, lead, zinc. Ore deposits small, scattered, low grade. Poor transportation, limited market, lack of technical personnel and capital resources hamper exploitation.
- C. Fuels: Country has both petroleum and coal. By 1960, petroleum from East Gobi should provide half of annual requirements, primarily for motor transport and diesel locomotives of Trans-Mongolian railroad. Coal reserves are considerable.
- D. Industry: Industry confined primarily to construction materials and consumer goods. Manufacturing facilities built up largely with Boviet assistance until recently when Communist China and European satellites have aided in building plants producing textiles, footwear, glassware, and printed materials. Mongolian industry provides about one-third of domestic requirements.

E. Foreign Trade:

1. Since foreign trade almost entirely with bloc countries, total amount difficult estimate, may be \$130.000.000-\$150.000.000 annually. Formerly Seviet

monopoly, trade now 50-60 percent with USSR, 20 percent with Communist China, remainder with Eastern European satellites. Completion Trans-Mongolian railread end of 1955 greatly facilitated trade with Communist China.

 Necent visits by French and Japanese trade missions may result in limited trade with free world.

IV. International Position

- A. In addition to bloc countries, Mongolia recognized by India, Burna, Indonesia. Premier Tsedenbal visited New Dolhi September 1959.
- Principal foreign policy goals center around achievement of greater international status through UN membership, other evidences of recognition.

V. Sino-Soviet Interests

A. Soviet Union long dominant in Mongolia. Chinese economic aid since 1956 has been considerable but still far
less than Soviet. Aid programs complementary rather than
competitive. China has sent thousands of workers to
Mongolia with option of staying but few have availed
themselves of opportunity.